

**U.S. House of Representatives**

## COMMITTEE ON VETERANS' AFFAIRS

ONE HUNDRED FIFTEENTH CONGRESS

335 CANNON HOUSE OFFICE BUILDING

WASHINGTON, DC 20515

<http://veterans.house.gov>

September 27, 2017

Honorable Michael J. Missal  
Inspector General  
Department of Veterans Affairs  
810 Vermont Avenue, NW  
Washington, DC 20420

Dear Inspector General Missal,

On September 25, 2017, local television news station KARE 11 in Minneapolis-St. Paul, Minnesota reported on its investigation into denial of emergency care claims by the Department of Veterans Affairs (VA). KARE 11's investigation found several veterans' emergency care claims were improperly denied, resulting in debt collection agencies targeting veterans with service-connected disabilities for thousands of dollars in medical debt they did not owe. According to KARE 11, current and former VA medical claims processors in the Office of Community Care were pressured by supervisors to meet production standards of 22 claims reviewed per hour—under 3 minutes per claim—to receive a rating of “excellent” on their performance appraisals. The whistleblowers allege VA's Office of Community Care does not monitor for errors, and it takes less time to deny claims than follow multiple steps to approve claims.

A 2014 Government Accountability Office (GAO) report found emergency care claims of low-income veterans without health insurance covered by the Millennium Act were also improperly denied. Additionally, GAO found VA “do[es] not focus on compliance with all applicable requirements but rather on the timeliness of claims processing,” and “VA does not collect adequate data for monitoring the appropriateness of Millennium Act claim denials.”

Based on KARE 11's reports and GAO's findings, I am concerned VA's Office of Community Care has created perverse incentives for its claims processors to deny veterans' emergency care claims in order to meet claims processing production goals and in turn receive high performance appraisal ratings and bonuses. If production goals are prioritized over the accuracy of claims processing, and if VA lacks the ability to measure and oversee the accuracy of its claims processed, thousands of veterans' claims may have been improperly denied and may continue to be denied.

Therefore, I request an investigation into whether VA Office of Community Care's production standards are incentivizing employees to deny emergency care claims, and whether employees have been directed or encouraged by VA managers to deny veterans' emergency care claims in order to meet production standards. If you have any questions, please have your office contact Grace Rodden, Minority Staff Director of the Subcommittee on Oversight and Investigations, at [grace.rodgen@mail.house.gov](mailto:grace.rodgen@mail.house.gov) or (202) 225-9756. Thank you for your consideration of this request.

Sincerely,

A handwritten signature in blue ink, appearing to read "T. J. Walz", is positioned above the printed name.

TIM WALZ  
Ranking Member